

Appendix A
RECREATION PARTNERSHIP INITIATIVE
MARKETING STUDY

RAYSTOWN LAKE
BALTIMORE DISTRICT
HESSTON, PENNSYLVANIA

PHASE III REPORT
DACW31-92-C-0097

IDENTIFICATION OF SITE DEVELOPMENT AND MARKET POTENTIAL
FOR
PRIVATE DEVELOPMENT
OF
PUBLIC RECREATIONAL FACILITIES

DRAFT

RECREATION PARTNERSHIPS INITIATIVE
U.S. ARMY CORPS OF ENGINEERS

BASILE BAUMANN PROST & ASSOCIATES, INC.
ANNAPOLIS, MARYLAND
1994

TABLE OF CONTENTS

	<u>Page</u>
A. Executive Summary	1
B. Site Development Opportunities and Constraints	5
1. Regional Context	5
o Figure 1: District Map	
o Figure 2: Vicinity Map	
o Figure 3: Project Map	
2. Existing Site Facilities and Uses	5
o Figure 4: Matrix of Facilities	
o Table 1: Existing Recreational Facilities Assessment	
3. Site Features	7
o Figure 5: Location of Priority Development Area(s) (PDA)	
o Table 2: Site Physical/Infrastructure Characteristics	
o Table 3: General Evaluation of PDA(s)	
o Table 4: Summary: Development Opportunities and Constraints	
C. Market Potential Analyses	9
1. Economic Overview	9
o Table 5: Socioeconomic Profile	
o Figure 6: Listing of Comparable Private Recreation Projects Nationwide	
2. Golf	9
o Table 6: Supply	
o Table 7: Demand	
o Table 8: Analysis	

TABLE OF CONTENTS
(continued)

	<u>Page</u>
3. Marina	10
o Table 9: Supply	
o Table 10: Demand	
o Table 11: Analysis	
4. Lodging	11
o Table 12: Supply	
o Table 13: Demand	
o Table 14: Analysis	
5. Camping/RV	12
o Table 15: Supply	
o Table 16: Demand	
o Table 17: Analysis	
6. Summary: Development Program	13
o Table 18: Development Program	

92012136

A. EXECUTIVE SUMMARY

A. EXECUTIVE SUMMARY

SITE DEVELOPMENT OPPORTUNITIES AND CONSTRAINTS

- o Raystown Lake, the largest Corps of Engineers lake entirely within the State of Pennsylvania, is located in the south-central portion of the State west of Harrisburg and southeast of Altoona.
- o Raystown Lake is on the Raystown branch of the Juniata River in the Susquehanna River Basin. The dam is located approximately 5.5 miles upstream of the branch's confluence with the Juniata River just south of Huntingdon. Raystown Lake is a twisting lake extending 30 miles and is located in Huntingdon and Bedford Counties. The reservoir formed by the dam covers 8,300 water surface acres and is maintained at a constant pool throughout the year.
- o A Priority Development Area (PDA) was identified and examined. PDA I is a site consisting of approximately 228 acres of rolling terrain located on the south shore of Anderson Bay and Penn Township. It is also south of the administrative headquarters, east of LR 31037, and is reached by Upper Corner Road (former TR 404). Most of the slopes on the eastern shoreline are less than 15 percent; ridge tops are also gently sloping. The site is approximately one-fourth open meadow area, with the majority of the area in hardwood forest. Existing access roads into the site are generally in good condition.
- o PDA I's physical/infrastructure characteristics are suitable (scored 68, which is a good rating) for private commercial recreational development (see Table 2). The land within PDA I is in the total ownership and control of the Corps, readily accessible to road traffic and the majority of the site is out of the 100-year floodplain. Sloped conditions vary and electrical service is nearby; however, no piped sewer or water service is available.
- o PDA I is suitable for golf, camping and lodging uses. However, when secondary standards such as piped sewer and water capacity are included in the evaluation, the site is more suited for golf and camping activities (lodging could also be a suitable use if on-site infrastructure capacity is added). Steep topography at the site makes it inappropriate for marina development; in addition, a marina at the site would compete with the Seven Points Marina at Marker 9 and increase the existing boat traffic congestion in the area. Overall, site development

opportunities outweigh site development constraints at PDA I for each of the four recreational uses examined

MARKET POTENTIAL ANALYSES

- o Past and current estimates, as well as future projections, of several socioeconomic characteristics of residents around the Raystown Lake project were profiled. These demographic characteristics were sorted into two geographic "bands": 50-mile radius; 200-mile radius. In terms of population characteristics in these areas, since 1980, population within a 50-mile radius of the lake has increased one percent. Population projections also predict a slightly higher increase of 2 percent in the next five (5) years.

Like trends elsewhere nationally, the number of households has increased in the 50-mile area surrounding the project (8.7 percent), given the increased number of divorced couples, the increased number of persons delaying marriage or staying single and other socioeconomic traits. For both population and households, these trends do not indicate strong support for additional growth in significant recreation demand potential, unless existing supply levels of certain types of recreation remain inadequate.
- o A listing of comparable private recreational projects nationwide was assembled by type of use (golf course, marina, lodging and camping/RV) in order to judge the relative merits of and feasibility for development of these types of projects at Raystown Lake. Projects were identified in states possessing a wide geographic diversity (Georgia, Pennsylvania, Texas, Kansas and Missouri); these states also are states in which Corps water resource projects are being analyzed. Selected characteristics describing operations at each of these comparable projects are profiled in the subsequent market potential analyses for golf, marina, lodging and camping/RV recreation projects.
- o Golf: It was concluded that existing supportable demand (rounds of golf) of 245,930 exceeded the existing supply potential (rounds of golf) of 216,000, leaving net supportable demand of 29,930 rounds. Since, according to industry standards, a threshold of approximately 29,000 to 30,000 rounds of demand is necessary to justify construction of a new 18-hole golf course, market demand exceeds supply and supports a new golf course at this time.

- o Marina: It was determined that existing supportable demand of 660 slips exceeded the existing supply potential of 566 slips, generating net supportable demand for an additional 94 slips in the area.
- o Lodging: It was determined that existing supportable demand was 92,170 roomnights, which was more than the existing supply potential of 18,920 roomnights. In terms of net supportable demand for rooms (assuming 365 roomnights equates to demand for one room), the market in the Raystown Lake area is under supplied by approximately 201 rooms. This under supply feature of the local market is an exception to regional and national trends indicating an overbuilt lodging market.
- o Camping: It was determined that supportable demand exists for 560 sites while the existing supply potential is 442 sites. Hence, net supportable demand for an additional 118 sites was determined.

6. SUMMARY: DEVELOPMENT PROGRAM

A summary of the development program which could be carried out at this project was prepared (see Table 18).

Four recreational development market segments were the focus of our market investigations: golf course; lodging; marina; and campgrounds. Since a large site can accommodate multiple recreational projects and since a golf course requires more site area than other projects examined, we attempted to match market demand with sites exceeding 150 acres, whenever possible.

Also, given the strong economic link which exists in private industry between golf, lodging and conferences, we believe that if demand for lodging exists, it should be tied to golf course projects whenever possible. Given that the economics and potential financial returns for private investors is much greater if the type of lodging units are quality hotel rooms rather than cabins or group shelters, we further believe that hotel/conference centers should be the type of lodging market pursued when considering on-site, public, overnight quarters.

Our analysis also revealed that when a significant marina market was found at a lake project, a significant market for golf course development was also found at the lake. Thus, little need exists to exclusively solicit marina developers. Moreover, if excess capacity at existing marinas for more slip construction already exists at a lake project, this additional positive market demand for marina slips should first be satisfied at existing facilities. Hence, existing marina concessionaires and lessees should be provided the first right to expand their

existing operations by building additional slips; then, if market demand still remains, developers should be encouraged to construct marina slips, preferably as part of their golf course or golf course/hotel-conference center projects.

No camping concessionaire arrangements with private parties exist at the Corps lakes examined, and the economics and potential financial returns for private investment in this type of recreational development project are not as strong as the other three market segments (golf, marina and lodging). Since campgrounds may not be the preferred investments by private sector developers (given opportunities to pursue golf or other types of projects), yet significant demand and site availability often exists at many Corps lake projects for additional camping, and since the Recreation Partnership Initiative (RPI) concept advocates private funding of recreational development opportunities, developers should be encouraged to provide campground facilities as part of golf course and/or other quality recreational projects.

In light of these private industry preferences, when multiple market demand and/or multiple site opportunities (PDAs) exist at a lake, various combinations matching market demand and site locations should be considered. And, new marina and campground projects should be pursued under the RPI program only after considering the private industry implementation approach outlined above. We identified the following market/development potential and possible locations for additional recreation projects at this lake.

IDENTIFIED MARKET/DEVELOPMENT POTENTIAL

<u>USE</u>	<u>AMOUNT</u>
Golf Lodging Camping	1 - 18-hole course; and 201 rooms; and up to 118 sites; and/or

POSSIBLE LOCATION

PDA I -- Site 25 (Upper Corners Area)

B. SITE DEVELOPMENT OPPORTUNITIES AND CONSTRAINTS

B. SITE DEVELOPMENT OPPORTUNITIES AND CONSTRAINTS

1. REGIONAL CONTEXT

- o Raystown Lake, the largest Corps of Engineers lake entirely within the State of Pennsylvania, is located in the south-central portion of the State west of Harrisburg and southeast of Altoona (see Figure 1).
- o Raystown Lake benefits from an extension road transportation network serving this portion of the State (see Figure 2). Interstate Highway 76 (the Pennsylvania Turnpike) offers access from an east-west direction and is accessible via Pennsylvania Route 26 to the south. Interstate Highway 81 (I-81) crosses I-76 southeast of Raystown Lake. Interstate Highway 80 (the Keystone Shortway) provides access from a northwest to southeast direction north of Raystown Lake. Additional access is provided via U.S. Route 22, Pennsylvania Route 164 and numerous county highways.
- o Raystown Lake is on the Raystown branch of the Juniata River in the Susquehanna River Basin (see Figure 3). The dam is located approximately 5.5 miles upstream of the branch's confluence with the Juniata River just south of Huntingdon. Raystown Lake is a twisting lake extending 30 miles and is located in Huntingdon and Bedford Counties. The reservoir formed by the dam covers 8,300 water surface acres and is maintained at a constant pool throughout the year.

2. EXISTING SITE FACILITIES AND USES

- o Raystown Lake offers 13 recreation areas located along the lake and downstream of the dam providing a variety of recreational opportunities (see Figure 4). These impressive recreational facilities include a resort lodge, restaurants, marinas, campgrounds, picnic areas, boat launches, beaches, a water park, a cruise ship and numerous hiking trails. Recreation sites and facilities are managed by the Corps, concessionaires and other governmental agencies.

VICINITY MAP

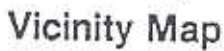


FIGURE 3
PROJECT MAP

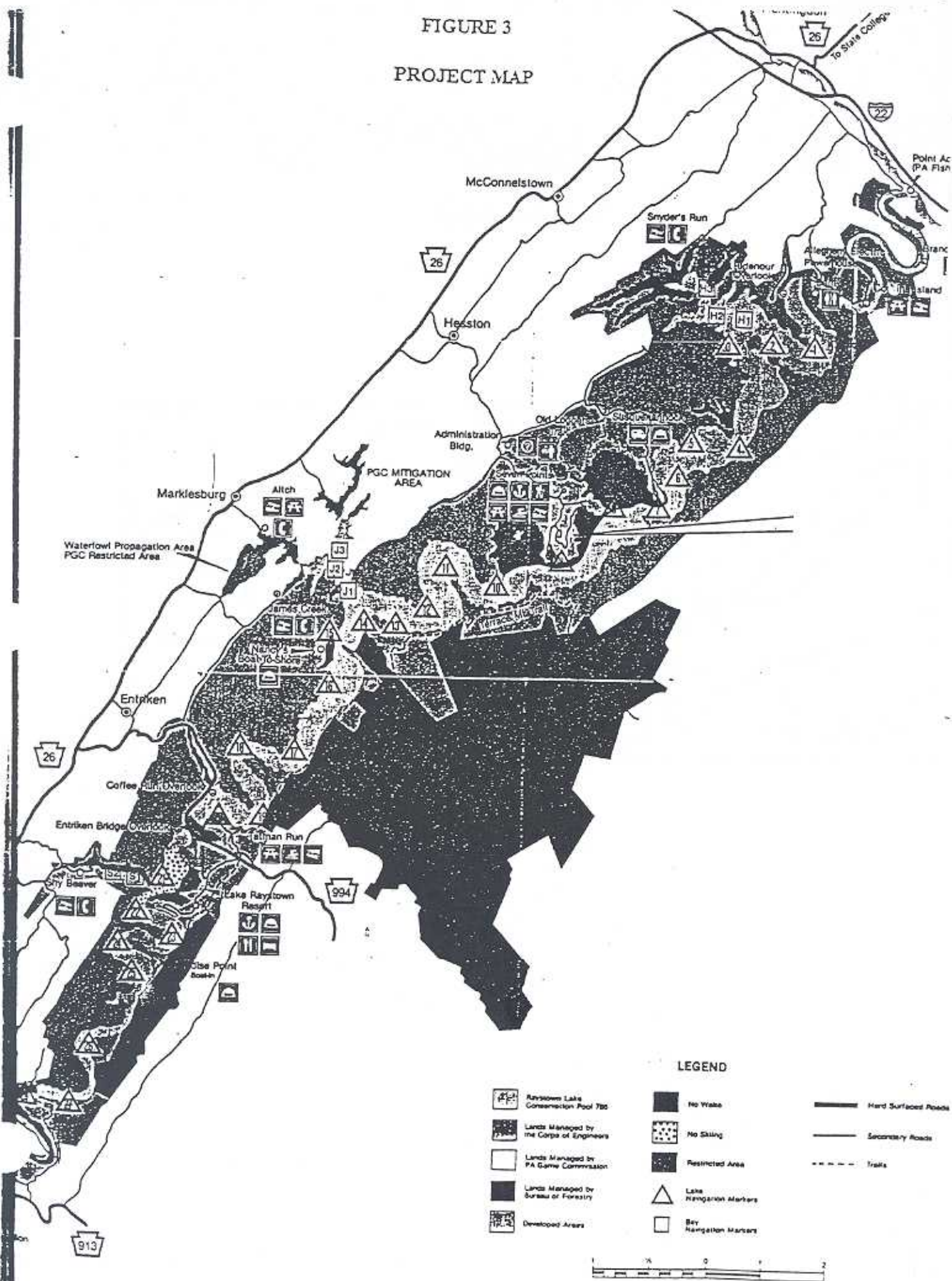


FIGURE 4
MATRIX OF FACILITIES

	Information	Boat Launch	Swimming Beach	Drinking Water	Restrooms	Showers	Camping	Camping - Elec	Camping - Boat	Dumping Station	Amphitheatre	Overlook	Marina	Gas	Boat Rental	Restaurant	Camp Store	Playground	Picnicking	Picnic Shelter	Handicapped Facility	Telephone
Aitch
Corbin's Island
James Creek
Nancy's Camp
Ridenour Overlook
Seven Points Day Use
Seven Points Campground Bay
Meadow
Point
Ridge
Valley
Shy Beaver
Snyder's Run
Susquehannock Campground
Tatman Run
Weaver Falls
Raystown Dam
CONCESSIONS
Branch Camp
Seven Points Marina
Lake Raystown Resort
Paradise Point
STATE FACILITIES
Trough Creek
Warriors Path
Entriiken Bridge Overlook
Coffee Run Overlook

*All recreation areas have limited handicap access

- o Concessionaires operate a variety of recreational facilities at Lake Raystown Resort and in the Seven Points area. At Lake Raystown Resort, a host of facilities and services are provided, including:
 - A lodge offering a total of 54 rooms in three separate structures, with each room having a private balcony and a view of the lake.
 - Wild River Water Park, featuring four water slides, an ^{inner tube?} intertub ride and a children's pool, plus a 19-hole mini-golf course.
 - Camping areas providing 272 sites as well as related recreational facilities (volley ball, a swimming beach and other facilities).
 - One of the State's largest full-service marinas, providing 650 seasonal boat slips and a full array of related services.
 - The "Proud Mary", a paddle wheeler cruise ship available for publicly and privately chartered events.
 - A lakefront restaurant known as the Marina Cafe.
- o At Seven Points, a full-service marina with boating slips and boat storage, boat and equipment rentals, gasoline and tour boats, provides services to visitors. Additionally a campground offering 170 developed camping pads, with central showers, sanitation facilities and electric hookups, is located at five different camp areas throughout the recreation area. A large swimming beach, complete with snack bar, storage facilities, change area and showers, is also located at Seven Points.
- o Raystown Lake offers unlimited horsepower boating. Occupancy rates at both the Raystown Resort and Seven Point marinas are between 95 to 100 percent; these marinas are typically closed from November through March each year. Past Corps of Engineers studies indicate that boating capacity on the lake is currently being exceeded.
- o Additionally, Juniata College maintains a biology field station of 400 acres of project lands leased from the Corps; a 3,000-acre mitigation area at the Backbone Ridge Embayment is managed for wildlife habitat by the Pennsylvania Game Commission and Putt's Camp, formerly operated by the Corps, is leased to the Boys Scouts.

- o Visitor activity participation focused most recently on sightseeing and boating activities while relatively little interest was generated by water-skiing and hunting activity (see Table 1).

3. SITE FEATURES

- o A Priority Development Area (PDA) was identified and examined (see Figure 5). PDA I is the area identified in the 1993 proposed master plan for the Raystown Lake project (Baltimore District-USACE) as Site 25-the Upper Corners Area.
- o PDA I is a site consisting of approximately 228 acres of rolling terrain located on the south shore of Anderson Bay and Penn Township. It is also south of the administrative headquarters, east of LR 31037, and is reached by Upper Corner Road (former TR 404). Most of the slopes on the eastern shoreline are less than 15 percent; ridge tops are also gently sloping. The site is approximately one-fourth open meadow area, with the majority of the area in hardwood forest. Existing access roads into the site are generally in good condition.
- o The revised master plan calls for a conference center to be developed on the Upper Corners peninsula. The proposed development includes construction of a conference center and associated lodging that would accommodate 500 persons. The proposed development also includes recreational facilities such as a golf course, skating rink, boat dock and other related improvements.

The plan notes that there is a good existing access road into the site and the location on the central park of the lake makes it a prime development site. Likewise, the plan notes that development on this site would satisfy regional demand for lodging, would expand an existing recreation development node, and could be connected with the existing infrastructure at Seven Points. Development as planned would totally avoid disturbance of the shale barrens along the west side of the Upper Corners peninsula.

- o PDA I's physical/infrastructure characteristics are suitable (scored 68, which is a good rating) for private commercial recreational development (see Table 2). The land within PDA I is in the total ownership and control of the Corps, readily accessible to road traffic and the majority of the site is out of the 100-year floodplain. Sloped conditions vary and electrical service is nearby; however, no piped sewer or water service is available.

TABLE 1
EXISTING RECREATIONAL FACILITIES ASSESSMENT

KEYPROJ# E114900

Visitor Activity Participation (Percent of Visitors)

Picnicking	15%
Boating	29%
Water Skiing	8%
Fishing	18%
Swimming	23%
Hunting	4%
Sightseeing	30%
Camping	9%
Other	32%

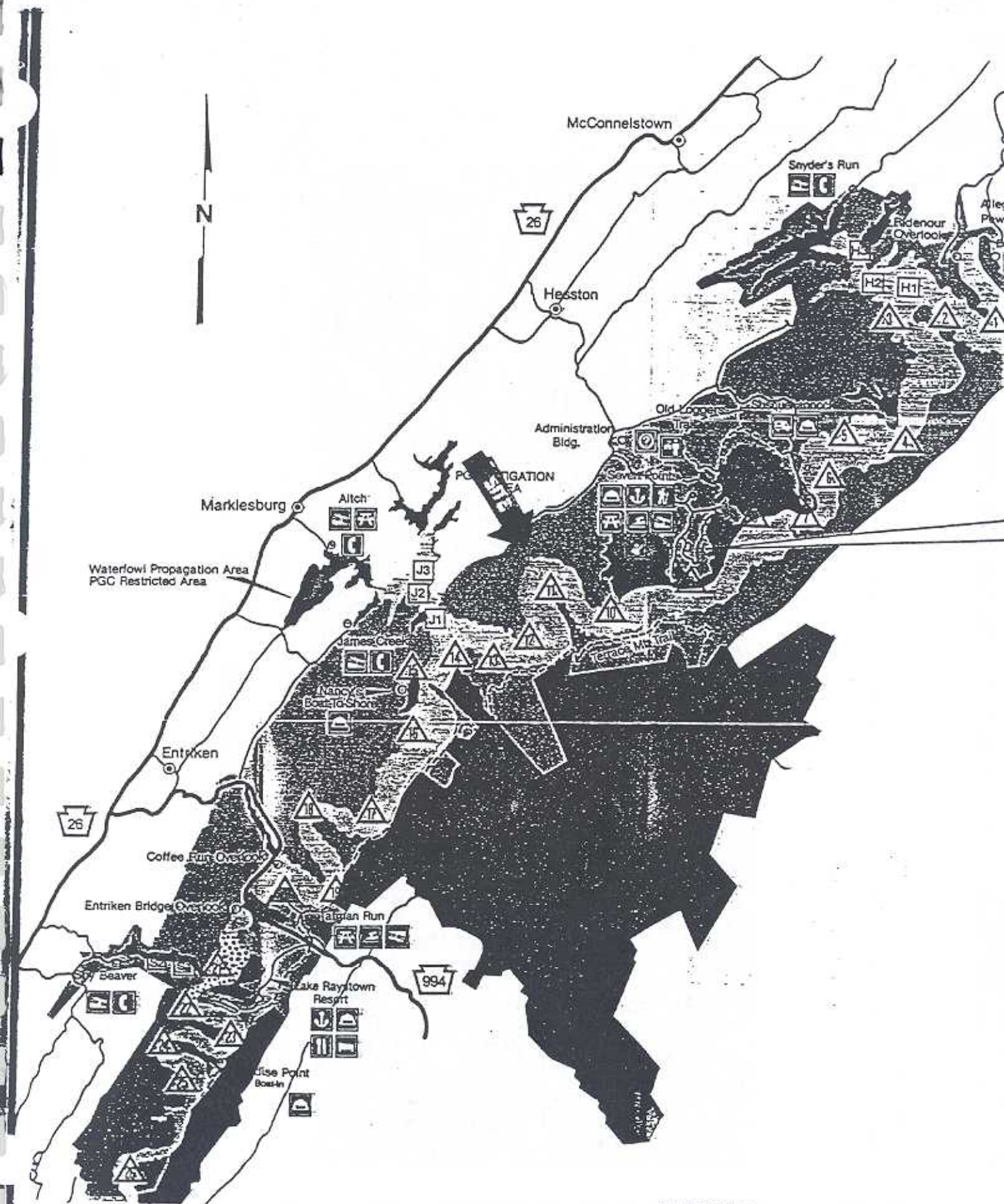
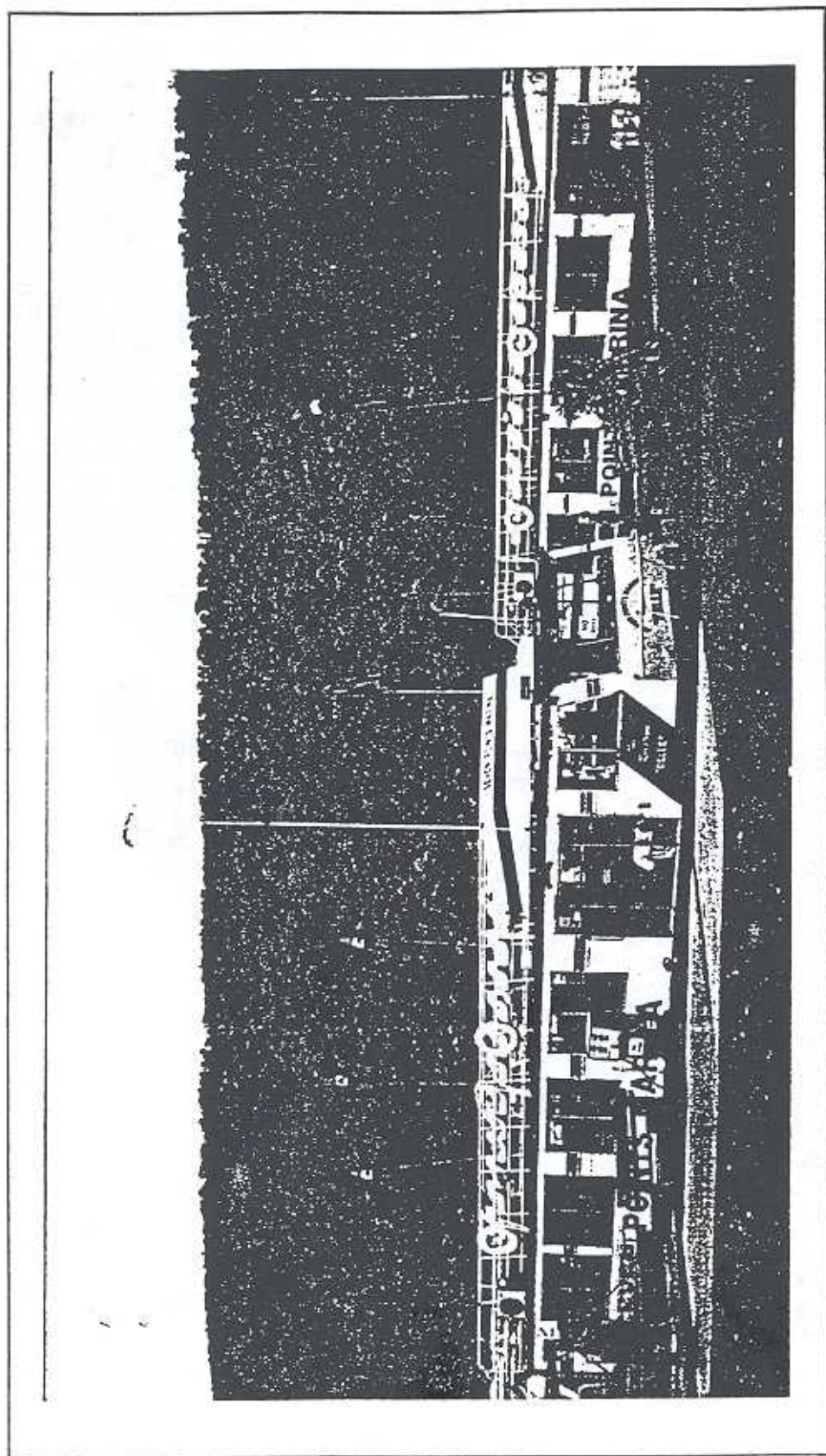
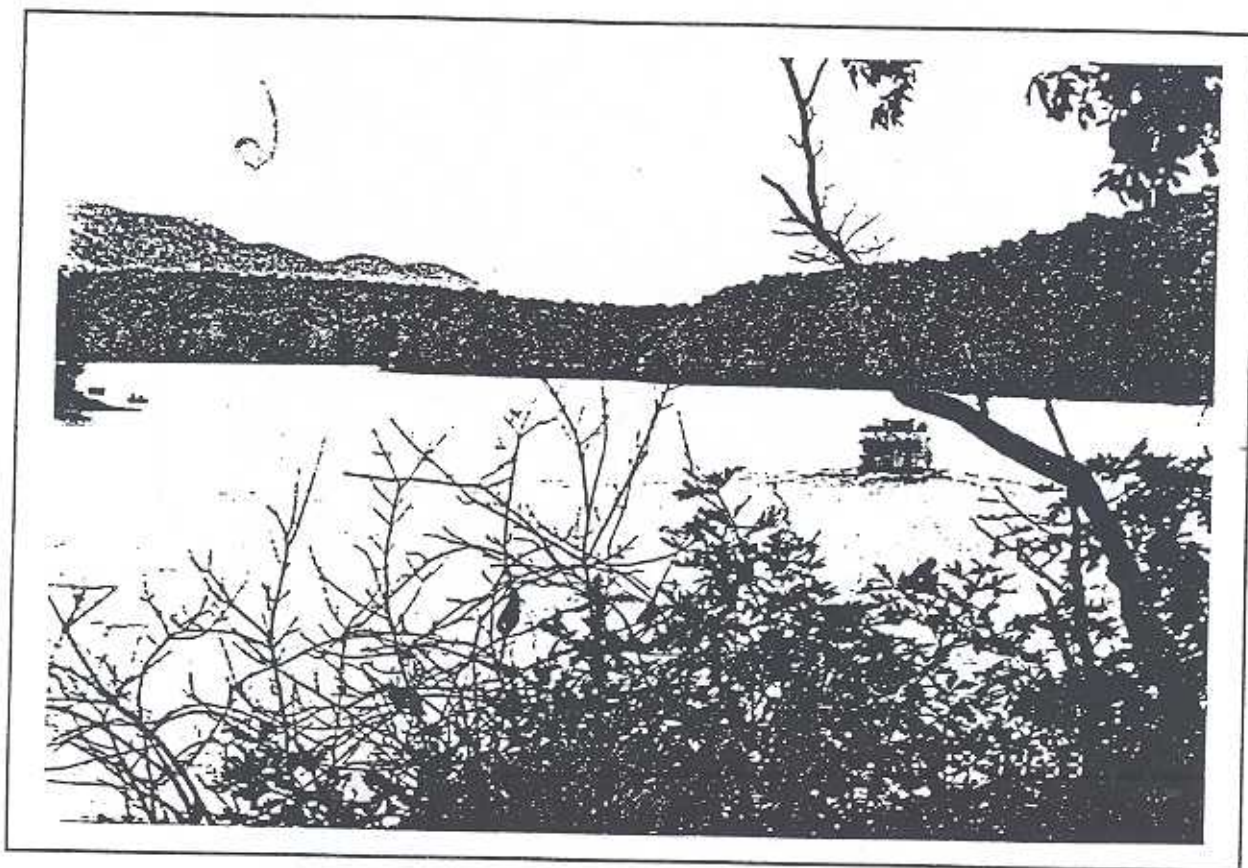


FIGURE 5

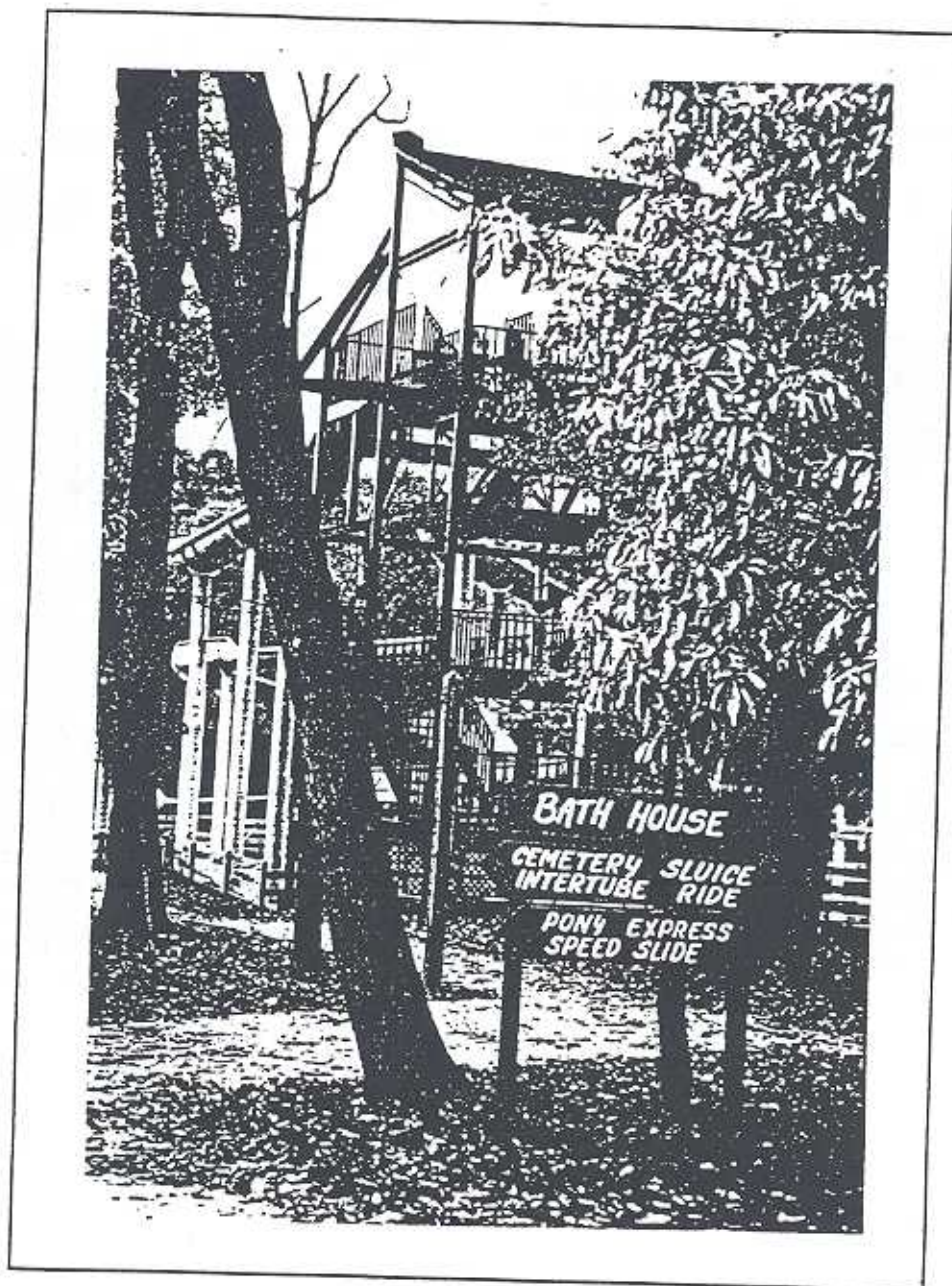
LOCATION OF PRIORITY DEVELOPMENT AREA I



SEVEN POINTS MARINA



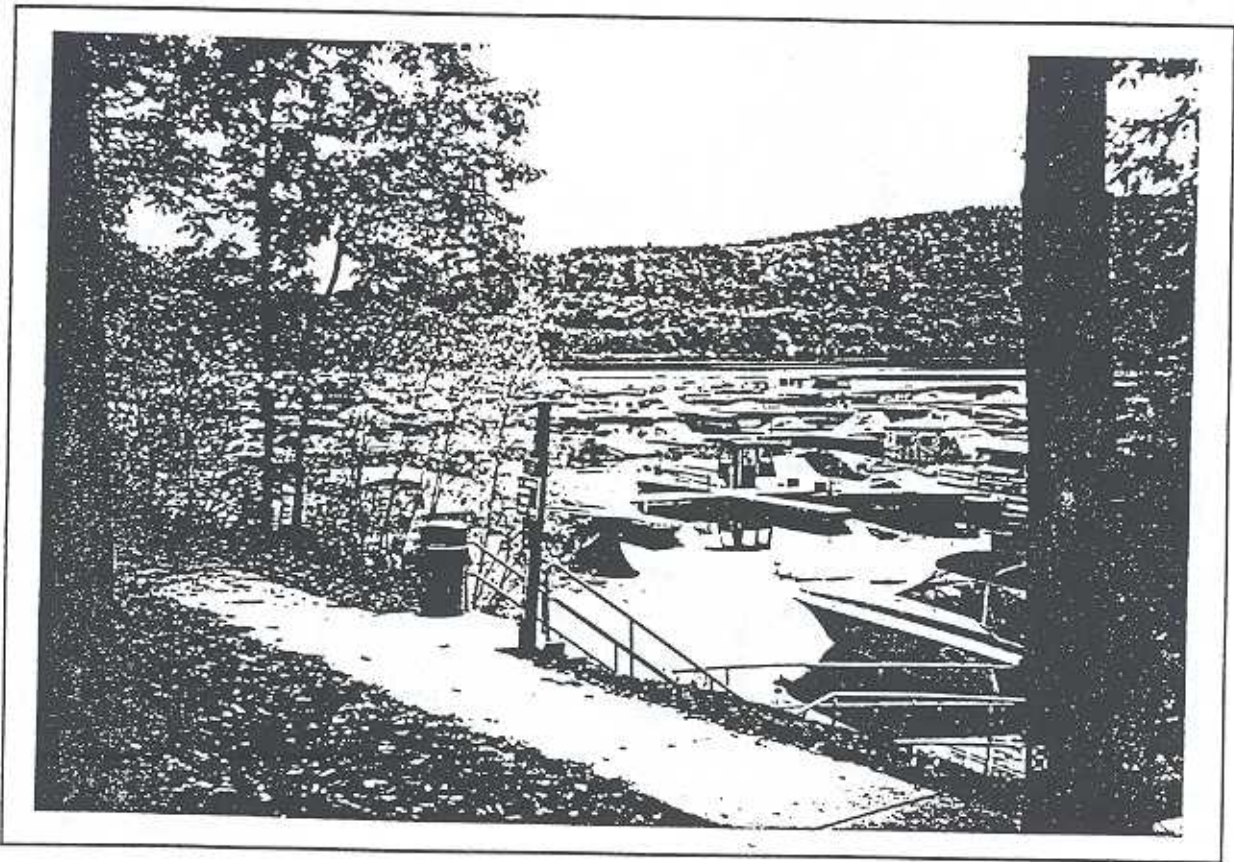
CRUISE BOAT - LAKE RAYSTOWN



WATER PARK
LAKE RAYSTOWN RESORT AND LODGE



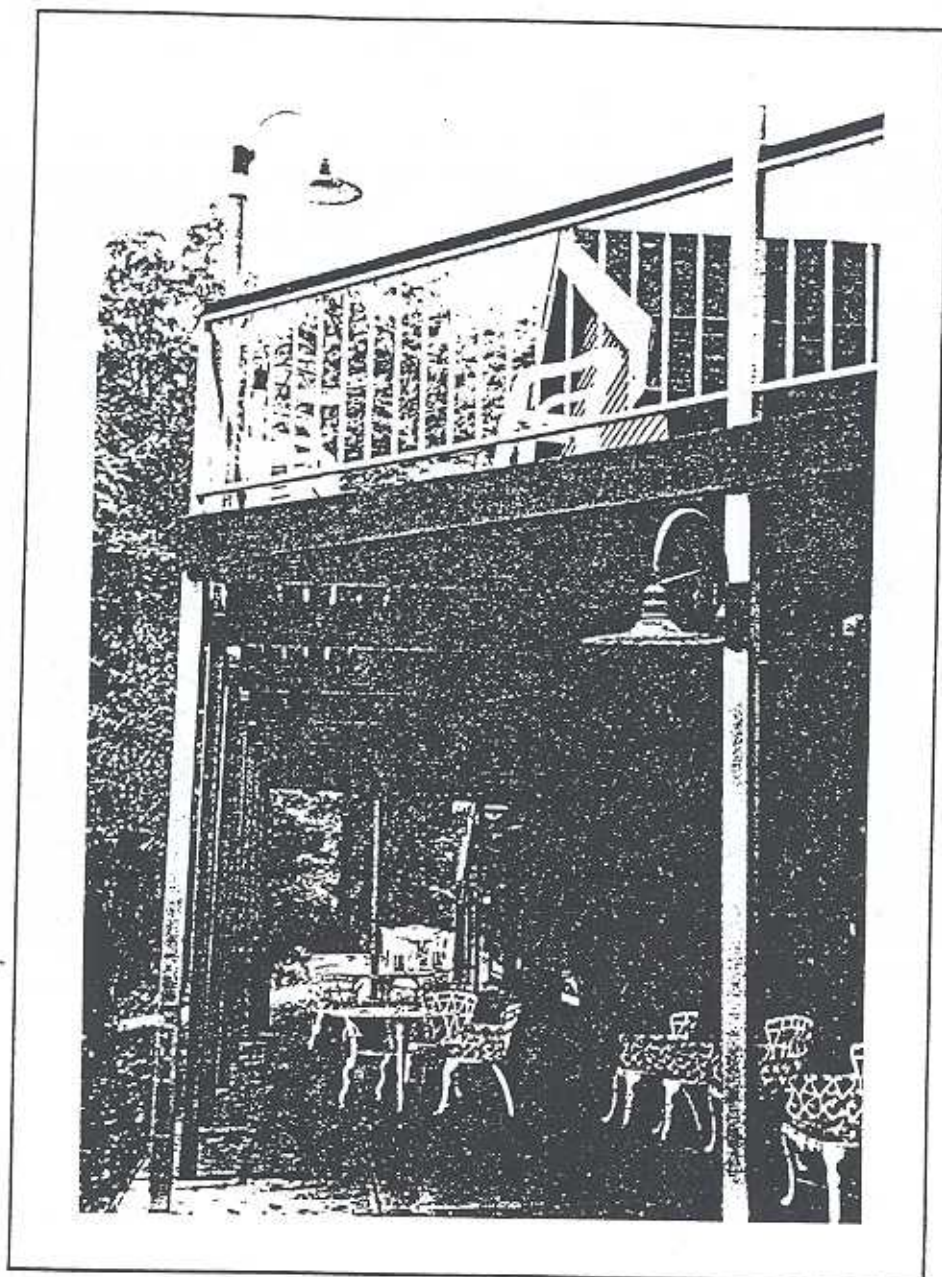
SIGN - LAKE RAYSTOWN RESORT AND LODGE



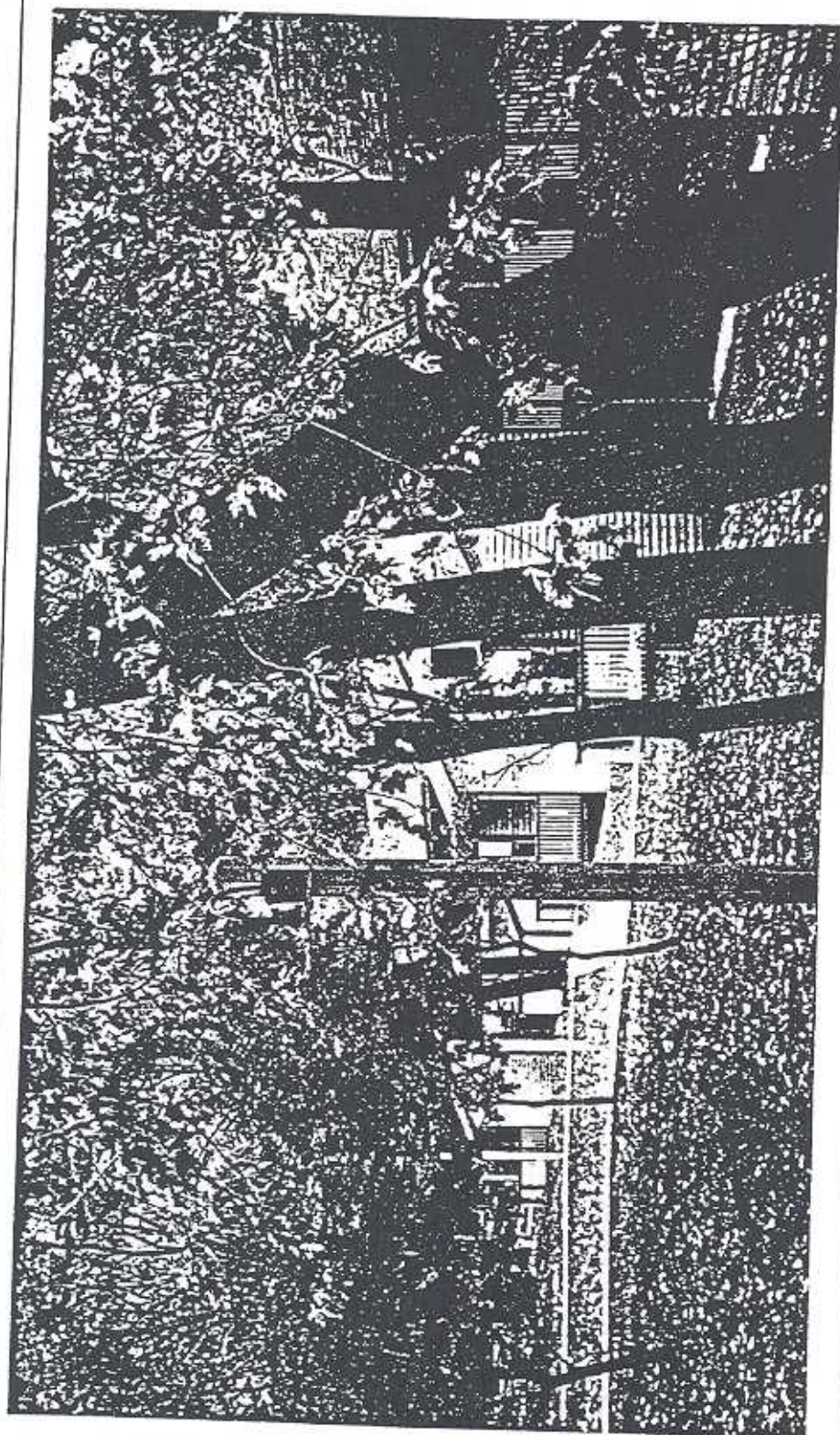
BUCCANEER BAY MARINA



SIGN -- BUCCANEER BAY AREA



RESTAURANT
BUCCANEER BAY MARINA



LAKE RAYSTOWN RESORT AND LODGE

TABLE 2

SITE PHYSICAL/INFRASTRUCTURE CHARACTERISTICS EVALUATION TEAM SCOREBOARD

Key Project No:

E114900

Site Name:

Raystown Lake, Hesston, PA

Standard	Measurement Criteria	Priority Development Area (PDA)*	
		I	
<u>Weighting: 4x</u> A. Control	5: total ownership and control 3: small portion leased but can gain access 1: totally leased but can gain access	20	
B. Traffic Access	Site adjacent to and accessible by an existing road 5: 60-foot or state-maintained right-of-way 3: other government-maintained access 1: other (unpaved)	20	
C. Floodplain	Outside of standard 100-year floodplain 5: 90% or more of site meets standard 3: 70% or more of site meets standards 1: less than 50% of site meets standards	20	
<u>Weighting: 2x</u> D. Topography	Optimal slopes less than standard 10% variation 5: 90% or more of site meets standard 3: 70% or more of site meets standard 1: less than 50% of site meets standard	2	

Standard	Measurement Criteria*	Priority Development Area (PDA)*	
		I	
E. Electric Service	5: power lines contiguous or crossing property 3: power lines within 1/2 mile 1: power lines more than 1/2 mile away	6	
F. Sewer Service	Existence of piped sewer service 5: exists contiguous to site 3: located within 1 mile 0: none	0	
G. Water Service	Existence of piped water service 5: existing contiguous to site 3: located within 1 mile 0: none	0	
H. General Suitability as Recreation Development Site	Professional judgement (see additional directions)		
	Score	68	

* Individual PDA Scores range from less than 40 = poor; 41 to 60 = fair; 61 to 80 = good, 81 to 100 = excellent

- o The size of PDA I accommodates several types of recreational development, including a golf course (see Table 3). By applying such primary standards as minimum size, topographic and floodplain conditions, PDA I is suitable for golf, camping and lodging uses. However, when secondary standards such as piped sewer and water capacity are included in the evaluation, the site is more suited for golf and camping activities (lodging could also be a suitable use if on-site infrastructure capacity is added). Steep topography at the site makes it inappropriate for marina development; in addition, a marina at the site would compete with the Seven Points Marina at Marker 9 and increase the existing boat traffic congestion in the area.
- o Overall, site development opportunities outweigh site development constraints at PDA I for each of the four recreational uses examined (see Table 4).

**ADDITIONAL DIRECTIONS
STANDARD (H)
SITE EVALUATION TEAM JUDGMENT**

Points may be added for significant location advantages. For example:

- A. Ten-minute access to interstate highway
- B. Site visibility
- C. Site size and configuration
- D. Existence of recreation infrastructure (boat ramp, camping area, beach, etc.)
- E. Availability of core drillings on sites

Points may be deducted for significant location disadvantages. For example:

- A. Remoteness of site
- B. Aesthetics of site not up to par
- C. Incompatible surrounding land uses
- D. Drainage problems
- E. Poor soils or load-bearing characteristics.
- F. Proximity to historic sites or endangered species habitats

TABLE 3

GENERAL EVALUATION OF PRIORITY DEVELOPMENT AREAS (PDA)*

PDA I
Location

* Additional characteristics further defining suitability of a PDA for a specific type of recreational development.

Primary Standard Scoring System: 2 = meets or exceeds criteria; 1 = possibly meets criteria; 0 = fails criteria

Secondary Standard Scoring System: 2 = available, need it; 1 = available, do not need it; 0 = not available, do not need it; (-2) = not available, need it

Standard	Measurement Criteria	Subjective Score 1/			
		Golf	Camping	Marina	Lodging
PRIMARY					
A. Minimum Size					
	Golf: 150+ acres	2	2	2	2
	Camping: 10+ acres				
	Marina: 5+ acres on water				
	Lodging: 5+ acres				
B. Topography					
	Golf: can be rolling	2	2	0	1
	Camping: needs some flat areas				
	Marina: has some flat parking areas				
	Lodging: flat				
C. Floodplain					
	Lodging: out	2	2	2	2
	Golf and Camping: mostly out				
	Marina: mostly in				
	Subtotal: Primary Score	6	6	4	6
SECONDARY					
D. Piped Sewer Capacity					
	Golf, camping, marina: no	0	0	0	(2)
	Lodging: yes				
E. Piped Water Capacity					
	Golf, camping, marina: no	0	0	0	(2)
	Lodging: yes				
	Subtotal: Secondary Score	0	0	0	(4)
	Total Score	6	6	4	2

1/ Primary Score: 2 or less = not suitable; 3 to 5 = possibly suitable; 6 = suitable

Total Score: 4 or less = probably cost prohibitive to develop; 5 = possibly suitable; 6 = suitable; 7 to 9 = desirable; 10 = highly desirable

TABLE 4

SUMMARY: DEVELOPMENT OPPORTUNITIES AND CONSTRAINTS

Project Site	Table 2: Site/Physical Infrastructure Score by PDA	Table 3: PDA Score by Type of Recreational Use
<u>Project Development Area</u>		
I	68 (good)	-
<u>PDA/USE</u>		
I		
Golf	-	6 (suitable)
Camping	-	6 (suitable)
Marina	-	4 (probably cost prohibitive to develop)
Lodging	-	2 (probably cost prohibitive to develop)*

RATING SYSTEM:

- o Site development opportunities outweigh constraints: Table 2 rating is above 40 (fair to excellent) and Table 3 total score is 5 or above (possibly suitable to highly desirable) for types of uses examined.
- o Site development constraints outweigh opportunities: Table 2 rating is less than 40 (poor) and Table 3 score is 4 or less (probably cost prohibitive to develop) for types of uses examined.

OVERALL RATING: Site development opportunities outweigh site development constraints for golf, camping and lodging.

* Provision of an on-site utility package for sewer treatment would increase this rating from 2 to 4.

C. MARKET POTENTIAL ANALYSES

C. MARKET POTENTIAL ANALYSES

1. ECONOMIC OVERVIEW

- o Past and current estimates, as well as future projections, of several socioeconomic characteristics of residents around the Raystown Lake project were profiled (see Table 5). These demographic characteristics were sorted into two geographic "bands": 50-mile radius; 200-mile radius. In terms of population characteristics in these areas, since 1980, population within a 50-mile radius of the lake has increased by one percent. Population projections also predict a slightly higher increase of 2.1 percent in the next five (5) years.

Like trends elsewhere nationally, the number of households has increased in the 50-mile area surrounding the project (8.7 percent), given the increased number of divorced couples, the increased number of persons delaying marriage or staying single and other socioeconomic traits. For both population and households, these trends do not indicate strong support for additional growth in significant recreation demand potential, unless existing supply levels of certain types of recreation remain inadequate.

- o A listing of comparable private recreational projects nationwide was assembled by type of use (golf course, marina, lodging and camping/RV) in order to judge the relative merits of and feasibility for development of these types of projects at Raystown Lake (see Figure 6). Projects were identified in states possessing a wide geographic diversity (Georgia, Pennsylvania, Texas, Kansas and Missouri); these states also are states in which Corps water resource projects are being analyzed. Selected characteristics describing operations at each of these comparable projects are profiled in the subsequent market potential analyses for golf, marina, lodging and camping/RV recreation projects.

2. GOLF

- o Golf supply characteristics of selected facilities near Raystown Lake were profiled (see Table 6). These characteristics included the number of holes, annual utilization rate, greens fees and the type of course (public or private). These facilities include courses of 9 to 18 holes, whose greens fees range from \$13.00 to \$34.50 and which are utilized for between 20,000 and 40,000 rounds of golf. Private, public and semi-public courses were inventoried.

TABLE 5
SOCIOECONOMIC PROFILE

KEYPROJ#	E114900	50-Mile Radius	200-Mile Radius	Percent in 50-Mile Radius
Population				
Pop., 1992 Estimate		869,271	32,831,376	2.6 %
Pop., 1980		859,638	31,063,200	2.8 %
Pop., 1997 Projection		887,447	33,868,880	2.6 %
Pop., 1980-1992 Change				
Number		9,633	1,768,176	
Percent		1.1 %	5.7 %	
Pop., 1992-1997 Change				
Number		18,176	1,037,504	
Percent		2.1 %	3.2 %	
Median Pop. Age, 1992 Estimate		34.6	34.6	
Households (HH.)				
HH., 1980		295,818	10,940,079	2.7 %
HH., 1992 Estimate		323,935	12,317,468	2.6 %
HH., 1997 Projection		339,696	12,952,029	2.6 %
HH., 1980-1992 Change				
Number		28,117	1,377,389	
Percent		8.7 %	11.2 %	
HH., 1992-1997 Change				
Number		15,761	634,561	
Percent		5.3 %	5.8 %	
Average Household Size		2.58	2.60	
Average Household Income		\$33,045	\$47,576	
Employment (at-place-of-residence)				
Employed		374,663	15,556,779	2.4 %
Unemployed		25,791	908,845	2.8 %
Total Labor Force		400,454	16,465,624	2.4 %
Employment by Industry				
		312,208	12,847,628	2.4 %
Agriculture/Mining		18,021	327,961	5.5 %
Construction		25,830	1,002,586	2.6 %
Manufacturing		74,733	2,692,011	2.8 %
Transportation/Communication		37,502	1,090,662	3.4 %
Wholesale Trade		12,531	641,482	2.0 %
Retail Trade		64,884	2,519,191	2.6 %
Finance/Insurance/Real Estate		15,534	1,067,412	1.5 %
Business & Repair Services		12,570	736,726	1.7 %
Personal Services		9,348	419,452	2.2 %
Professional Services		18,628	1,174,781	1.6 %
Entertainment/Recreation		3,170	190,090	1.7 %
Public Administration		19,457	985,274	2.0 %

FIGURE 6
LISTING OF COMPARABLE PRIVATE RECREATION PROJECTS NATIONWIDE

<u>MARINA</u>	<u>GOLF COURSE</u>	<u>HOTEL/MOTEL</u>	<u>CAMP SITE</u>
Sunrise Cove Marina Flowery Branch, GA	White Path GC Ellijay, GA	Lanier Island Hotel Lake Lanier Island, GA	Bald Ridge Campground Cumming, GA
Harrisburg Sea Plane Wormleysburgh, PA	Lewistown Country Club Lewistown, PA	Comfort Inn Mechanicsburg, PA	Riverfront Campground Duncannon, PA
Lake View Marina Lake Dallas, TX	Twin Wells GC Irving, TX	La Quinta Motor Inn Lewisville, TX	Lewisville Lake Park Lewisville, TX
Kentucky Dam Village Gilbertsville, KY	Kentucky Dam Village Gilbertsville, KY	Ramada Inn Gilbertsville, KY	Holiday Hills Campground Eddyville, KY
Indian Creek Marina Monroe City, MO	Mosswood Meadows GC Monroe City, MO	Monroe City Inn Monroe City, MO	KOA - Lawrence Lawrence, KS

GOLF SUPPLY CHARACTERISTICS OF SELECTED FACILITIES

Key Project No.

E114900

Site Name:

Raystown Lake, Hesston, PA

Competitive Facility Name, Location, Contact	Number of Holes	Annual Utilization Rate	Green Fees	Course Type (Public or Private)
Sinking Valley C. C. Altoona, PA (814) 684-0662	18	30,000	\$20.00	Semi-Private
Greenwood Golf Corp. Altoona, PA (814) 944-6754	N/A	N/A	N/A	N/A
Park Hills Country Club Altoona, PA (814) 944-2631	18	25,000	\$24.00	Semi-Private
Scotch Valley Country Club Hollidaysburg, PA (814) 695-1478	18	20,000	\$34.50	Private
Sylvan Hills Golf Course Hollidaysburg, PA (814) 695-4769	9	N/A	\$17.00/18 holes \$19.00 weekend	Semi-Private
Huntingdon Country Club Huntingdon, PA (814) 627-0631	9	20,000	\$18.00/18 holes	Semi-Private
Standing Stone Golf Club Huntingdon, PA (814) 643-4800	18	20,000	\$20.00	Semi-Private
American Legion C.C. Mount Union, PA (814) 542-9087	18	N/A	\$15.00 weekday \$18.00 weekend	Public
Iron Masters Golf Club Roaring Springs, PA (814) 224-2915	18	40,000	\$13.00/9 holes \$25.00/18 holes	Semi-Private
Down River Golf Course Everett, PA (814) 652-5193	18	35,000	\$13.00 weekday \$15.00 weekend	Public

- o Golf market characteristics locally were also evaluated (see Table 7). Visitor access and visibility (proximity of major roads and airports, as well as visibility from thoroughfares) rated as very good. Local golf usage trends, which reflect recent annual changes in the number of rounds played in the local market area, rated as fair.
- o An analysis of golf market potential was completed (see Table 8). The comparable golf course recreation areas noted in Figure 6 were evaluated against a host of usage and demand criteria. Mean scores were derived as the comparable projects were rated, and weights were assigned to the scores indicating the relative importance of each criteria in determining recreation demand potential. Then, the Raystown Lake project was rated against the same criteria so that an evaluation could be formulated of how a golf course located at the project site would perform relative to the group of comparable projects nationwide.

Then, the balance between market supply and demand was tested at the Raystown Lake project. It was concluded that existing supportable demand (rounds of golf) of 245,930 exceeded the existing supply potential (rounds of golf) of 216,000, leaving net supportable demand of 29,930 rounds. Since, according to industry standards, a threshold of approximately 29,000 to 30,000 rounds of demand is necessary to justify construction of a new 18-hole golf course, market demand exceeds supply and supports a new golf course at this time.

3. MARINA

- o Marina supply characteristics of selected facilities were profiled (see Table 9). These characteristics included the number of wet and dry slips, annual utilization rate, slip rental rates and available amenities at projects in the Raystown Lake. Marinas were profiled which ranged in size from 513 to 667 slips, which are renting for between \$28.00 and \$35.00 per foot of vessel and which are utilized from 85 to 100 percent. Associated amenities included ramps, gas docks and moorings.
- o Marina market characteristics in Raystown Lake area were also evaluated (see Table 10). These characteristics were measured according to two criteria: access to open waters and recent annual changes in marina usage (estimate of recreational boaters). The Raystown Lake rated as very good in terms of access

**TABLE 8
ANALYSIS OF
GOLF MARKET POTENTIAL**

KEYPROJ# E114900

	Rounds Per Population	Average Annual Utilization Rate	Demand Criteria					
			Average Annual Temp.	Average Annual Non-Precip. Days	Average Household Income	Median Population Age	Visitor Access/ Visibility 2/	Local Golf Usage Trends 2/
Comparable Recreation Areas	Factor 1/							
White Path Golf Course, GA	0.025	80%	61	250	\$50,798	37	3	2
Lewistown Country Club, PA	0.055	70%	54	240	\$41,788	34	2	2
Twin Wells Golf Course, TX	0.311	75%	66	287	\$47,685	31	3	3
Kentucky Dam Village, KY	0.441	90%	59	246	\$29,415	35	3	2
Mosswood Meadows GC, MO	0.347	80%	55	255	\$29,798	36	3	3
Weighted Average	0.291	79%	59	256	\$39,897	34	2.8	2.4
Assigned Weights	--	--	10%	10%	25%	15%	20%	20%
Raystown Lake								
RPI Site Data Input	--	--	50	199	\$33,045	35	4	2
Relative Performance Factors 3/	--	--	0.84	0.78	0.83	1.01	1.43	0.83

Calculated Supply/Demand Imbalance (RPI Site Competitive Area)

and Analysis

Overall Weighted Performance Factor 4/	0.97
Local Rounds Per Population Factor 5/	0.28
Recreation Zone Population	869,271
Existing Supportable Demand (Rounds) 6/	245,930

Supply Analysis

Existing Competitive Supply (Holes)	144
Average Rounds Per 18 Holes 7/	27,000
Existing Supply Potential (Rounds) 8/	216,000
Net Supportable Demand (Rounds)	29,930

- 1/ Reflects rounds played at competitive golf courses within approximate 30-minute drive of recreation area divided by 50-mile radius population.
2/ Relative score based on surveys and/or interviews. Score reflects 1=poor, 2=fair, 3=good, 4=very good and 5=excellent.
3/ Calculated by dividing RPI site data by corresponding mean values for comparable recreation areas.
4/ Individual site: performance factor multiplied by assigned weights for comparables.
5/ Calculated by multiplying RPI site overall weighted performance factor by mean comparable area rounds per population factor.
6/ Derived by multiplying 50-mile radius recreation sales by local rounds per population factor.
7/ Based on survey of existing competitive facilities.
8/ Reflects existing competitive supply adjusted by local required utilization rate.

MARINA SUPPLY CHARACTERISTICS OF SELECTED FACILITIES

ey Project No:

E114900

Site Name:

Raystown Lake, Hesston, PA

Competitive Facility Name, Location, Contact	Number of Wet Slips	Number of Dry Slips	Annual Utilization Rate	Slip Rates	Amenities
Seven Points Hesston, PA (814) 658-3074	513	287	100%	\$28 - 35/foot (per year)	N/A
Raystown Resort (814) 658-3500	667	0	85%	\$33 - 34/foot (per year)	N/A

**MARINA MARKET CHARACTERISTICS
EVALUATION TEAM SCORECARD**

Key Project No: E114900

Site Name: Raystown Lake, Hesston, PA

Standard	Measurement Criteria	Overall Subjective Score*
A. Access to Open Waters	Proximity to large bodies of water for various types of recreational boating (see attached criteria)	4
B. Local Marina Usage Trends	Recent annual change in marina usage in local market area (estimate of recreational boaters)	4
C. Existing Supply Characteristics	(see attached list)	

Other Comments:

* Score ranges from 1 = poor; 2 = fair; 3 = good; 4 = very good; 5 = excellent

92012248

to open waters and rated as very good in terms of annual changes in marina usage.

- o An analysis of marina market potential in the Raystown Lake area was completed (see Table 11). The comparable marina recreation areas noted in Figure 6 were evaluated against a host of usage and demand criteria. Mean scores were derived as these comparable projects were rated and weights were assigned to the scores indicating the relative importance of each criteria in determining recreation development potential. Then, the Raystown Lake project was rated against the same criteria so that an evaluation could be formulated of how a project located here may perform relative the group of comparable projects nationwide.

Then, the balance between market supply and demand for a marina project was tested at the Raystown Lake project. It was determined that existing supportable demand of 660 slips exceeded the existing supply potential of 566 slips, generating net supportable demand for an additional 94 slips in the area.

4. LODGING

- o Supply characteristics of selected lodging facilities in the Raystown Lake area were profiled (see Table 12). These characteristics included the number of lodging rooms per facility, annual occupancy rate, room rates, presence of conference facilities and other amenities. The lodging facilities ranged in size from 2 to 112 rooms, have room rates ranging from \$25.00 to \$123.00 per night at facilities, and experience occupancy rates from a low of 25 percent in the winter months to an annual occupancy rate of 88 percent.
- o Lodging market characteristics were also evaluated in the Raystown Lake area (see Table 13). Three criteria were used in this evaluation: seasonality of demand (does demand fluctuate or is it consistent throughout the year); visitor access/visibility (proximity and visibility from major transportation routes); and local lodging usage trends (recent annual changes in roomnight demand). The following ratings were assessed: seasonality of demand: fair; visitor access/visibility: good; local lodging usage trends: good.
- o An analysis of lodging/bed and breakfast market potential was completed (see Table 14). The comparable lodging facilities in the recreation areas noted in Figure 6 were evaluated against a host of usage and demand criteria. Means scores were derived as these comparable projects were rated and weights were

**TABLE 11
ANALYSIS OF
MARINA MARKET POTENTIAL**

KEYPROJ# E114900

	Slips Per Recreation Sales	Average Annual Occupancy	Demand Criteria					
			Average Annual Temp.	Average Annual Non-Precip. Days	Annual Boating Expenditure Potential 2/	Population Per Registered Boat	Relative Access to Open Waters 3/	Local Marina Usage Trends 3/
Comparable Recreation Areas	Factor 1/	Rate						
Sunrise Cove Marina, GA	0.316	85%	61	250	\$36,929	24	4	3
Harrisburg Sea Plane Base, PA	0.072	98%	54	240	\$24,454	40	2	2
Lake View Marina, TX	0.654	85%	66	287	\$47,838	28	3	3
Kentucky Dam Village, KY	0.599	90%	59	246	\$3,148	27	4	3
Indian Creek Marina, MO	0.100	85%	55	255	\$8,054	19	2	2
Weighted Average	0.501	89%	59	256	\$24,085	27	3	2.6
Assigned Weights	--	--	15%	15%	15%	15%	20%	20%
Raystown Lake								
RPI Site Data Input	--	--	50	199	\$8,190	40	4	4
Relative Performance Factors 4/	--	--	0.84	0.78	0.34	1.44	1.33	1.54

Calculated Supply/Demand Imbalance (RPI Site Competitive Area)

Demand Analysis		
Overall Weighted Performance Factor	1.085	
Local Slips Per Population Factor 5/	0.544	
Zone Recreation Sales	\$1,214,000	
Existing Supportable Demand (Slips) 6/		660
Supply Analysis		
Existing Competitive Supply (Slips)	1,180	
Existing Supply Potential (Slips) 7/		566
Net Supportable Demand (Slips)		94

1/ Reflects competitive supply of marina slips within approximate 30-minute drive of recreation area divided by 50-mile radius population.

2/ Reflects average household expenditures per 1000 households for outboard motors, docking/landing fees and water & miscellaneous sports.

3/ Relative score based on surveys and/or interviews. Score reflects 1=poor, 2=fair, 3=good, 4=very good and 5=excellent.

4/ Calculated by dividing RPI site data by corresponding mean values for comparable recreation areas.

5/ Calculated by multiplying RPI site overall weighted performance factor by mean comparable area slips per recreation sales factor.

6/ Derived by multiplying 50-mile radius recreation sales by local slips per recreation sales factor.

7/ Reflects existing competitive supply adjusted by local required utilization rate.

LODGING SUPPLY CHARACTERISTICS OF SELECTED FACILITIES

Key Project No:

E114900

Site Name:

Raystown Lake, Heston, PA

Competitive Facility Name, Location, Contact	Number of Rooms	Annual Occupancy Rate	Room Rates	Conference Facilities	Amenities
Days Inn Altoona, PA (814) 944-9661	111	75%	\$53.00 - \$68.00	Yes	A/C; CATV Coin Laundry
Econo Lodge Altoona, PA (814) 944-3555	69	88%	\$36.99 - \$43.99	Yes	A/C; CATV Pets
HoJo Inn Altoona, PA (814) 946-7601	112	60%	\$41.95 - \$46.95	Yes	A/C; CATV Pool Pets
Wye Motor Lodge Duncansville, PA (814) 695-4407	38	55%	\$27.00 - \$36.00	No	A/C; CATV
Best Western Huntingdon, PA (814) 643-1133	48	45%	\$35.00 - \$48.00	Yes	A/C; CATV
Days Inn Huntingdon, PA (814) 643-3934	76	50%	\$38.00 - \$54.00	Yes	A/C; CATV Pets
Hotel 22 Mount Union, PA (814) 542-2571	32	N/A	\$25.00 - \$42.00	No	A/C; CATV Pool
Vista Vu Motel Huntingdon, PA (814) 643-2544	20	100% Summer 50% off-season	\$32.00 - \$50.00	No	A/C; CATV
Valley Motel Huntingdon, PA (814) 643-0736	10	97% Summer 30% Off-season	\$25.00 - \$50.00	No	A/C; CATV
Huntingdon Motor Inn Huntingdon, PA (814) 643-1133	48	45%	\$35.00 - \$48.00	Yes	CATV
Lake Raystown Resort Entriken, PA (814) 658-3500	54	97% In-season 50% Off-season	\$73.00 - \$123.00	Yes	Water Park Mini-Golf Restaurant
Ripkas Cottages Huntingdon, PA (814) 643-4206	7	55%	\$55.00 - \$110.00	No	None
Spring Garden Farm Roaring Springs, PA (814) 224-2569	4	30%	\$25.00 - \$30.00	No	A/C Breakfast
Aughwick House Roaring Springs, PA (814) 447-3027	15	25%	\$30.00	Yes	Breakfast

LODGING SUPPLY CHARACTERISTICS OF SELECTED FACILITIES

Key Project No:

E114900

Site Name:

Raystown Lake, Hesston, PA

Competitive Facility Name, Location, Contact	Number of Rooms	Annual Occupancy Rate	Room Rates	Conference Facilities	Amenities
Berwick Manor House Alexandria, PA (814) 669-9535	4	30%	\$25.00	No	Breakfast
Lanes Country Homestead Cassville, PA (814) 448-3351	3	100% Summer 60% Winter	\$50.00	Yes	Pool Fishing Pond Playground
Weaver Ridge Resort Saxton, PA (814) 635-3730	6	90% Summer 20% Off-season	\$65.00	No	Breakfast
Mountain View Hotel Broad Top, PA (814) 635-2493	25	50%	\$49.99- \$99.99	No	None
Raystown Effec./Apts. Broad Top, PA (717) 921-3245	7	60%	\$100.00	No	Furnished
Yoders Bed & Breakfast Huntingdon, PA 14) 643-3221	2	50%	\$40.00 - \$45.00	No	Breakfast

TABLE 13

LODGING MARKET CHARACTERISTICS EVALUATION TEAM SCORECARD

Key Project No:

E114900

Site Name:

Raystown Lake, Hesston, PA

Standard	Measurement Criteria	Overall Subjective Score*
A. Seasonality of Demand	Does demand fluctuate dramatically or is it consistent throughout the year?	2
B. Visitor Access/Visibility	Proximity of major roads and airport. Visibility from thoroughfares.	3
C. Local Lodging Usage Trends	Recent annual change in local roomnight demand	3
D. Existing Supply Characteristics	(see attached list)	

Other Comments:

* Score ranges from 1 = poor; 2 = fair; 3 = good; 4 = very good; 5 = excellent

TABLE 14
ANALYSIS OF
LODGING/BED AND BREAKFAST MARKET POTENTIAL

KEYPROJ# E114900

	Occupied		Demand Criteria					
	Rooms-Nights Per Rec. Sales Factor 1/	Average Annual Occupancy Rate	Average Employed Workforce	Average Household Income	Visitor Share of Lodging Market	Seasonality of Demand 2/	Visitor Access/ Visibility 2/	Local Lodging Usage Trends 2/
Comparable Recreation Areas								
Lake Lanier Island Hotel, GA	0.042	60%	1,482,689	\$50,798	50.0%	4	4	3
Comfort Inn, PA	0.039	55%	991,634	\$41,788	45.0%	2	4	2
La Quinta Motor Inn, TX	0.042	60%	2,020,829	\$47,685	30.0%	4	3	2
Ramada Inn, KY	0.067	55%	166,567	\$29,415	35.0%	3	2	2
Monroe City Inn, MO	0.017	50%	107,053	\$29,798	48.0%	3	3	2
Weighted Average	0.067	56%	953,754	\$39,897	41.6%	3.2	3.2	2.2
Assigned Weights	-	-	10%	10%	30%	20%	20%	20%
Raystown Lake RPI Site	--	--	400,454	\$33,045	50.0%	3	3	3
Relative Performance Factors 3/	--	--	0.42	0.83	1.20	0.94	0.94	1.36

Calculated Supply/Demand Imbalance (RPI Site Competitive Area)

Demand Analysis

Overall Weighted Performance Factor	1.13
Local Room-Nights Per Population Factor 4/	0.08
Recreation Zone Sales	\$1,214,000
Existing Supportable Demand (Room-Nights) 5/	92,170

Supply Analysis

Existing Competitive Supply (Rooms)	691
Available Room-Night Supply	252,215
Existing Supply Potential (Room-Nights) 6/	18,920

Net Supportable Demand (Rooms)

201

- 1/ Reflects competitive supply of available room-nights within an approximate 30-minute drive of recreation area divided by 50-mile radius population.
2/ Relative score based on surveys and/or interviews. Score reflects 1=poor, 2=fair, 3=good, 4=very good and 5=excellent.
3/ Calculated by dividing RPI site data by corresponding mean values for comparable recreation areas.
4/ Calculated by multiplying RPI site overall weighted performance factor by mean comparable area room-nights per recreation sales factor.
5/ Calculated by multiplying RPI site overall weighted performance factor by mean comparable area sites per recreation sales factor.
6/ Reflects existing competitive supply adjusted by local required utilization rate.

assigned to the scores indicating the relative importance of each criteria in determining recreation demand potential. Then, the Raystown Lake project was rated against the same criteria so that an evaluation could be formulated of how a project located here may perform relative to the group of comparable projects nationwide.

Then, the balance between market supply and demand for a lodging project was tested at the Raystown Lake project. It was determined that existing supportable demand was 92,170 roomnights, which was more than the existing supply potential of 18,920 roomnights. In terms of net supportable demand for rooms (assuming 365 roomnights equates to demand for one room), the market in the Raystown Lake area is under supplied by approximately 201 rooms. This under supply feature of the local market is an exception to regional and national trends indicating an overbuilt lodging market.

5

CAMPING/RV

- o The camping/RV supply characteristics of selected facilities in the Raystown Lake area were profiled (see Table 15). Characteristics profiled included the number of sites, annual occupancy rates, camp rates and available amenities. These campgrounds ranged in size from 18 to 275 camp sites, which rent at rates from \$9.00 to \$30.00 per site, and which experience annual occupancy rates as low as 10 percent. Available amenities include RV storage, boating, hot showers, flush toilets, rec halls, mini-golf, pavilions, and other attributes.
- o Camping/RV market characteristics in the Raystown Lake Area were also evaluated (see Table 16). Two criteria were measured: visitor access/visibility (which rated as very good); and local camping usage trends (annual change in camp night demand, which rated as fair).
- o An analysis of camping/RV market potential was completed (see Table 17). The comparable camping/RV recreation areas noted in Figure 6 were evaluated against a host of usage and demand criteria. Mean scores were derived as these comparable projects were rated and weights were assigned to the scores indicating the relative importance of each criteria in determining recreation demand potential. Then, the Raystown Lake project was rated against the same criteria so that an evaluation could be formulated of how a project located here may perform relative to the group of comparable projects nationwide.

CAMPING/RV SUPPLY CHARACTERISTICS

Project No:

E114900

Site Name:

Raystown Lake, Hesston, PA

Competitive Facility Name, Location, Contact	Number of Sites		Annual Occupancy Rate	Camp Rates	Amenities
	Total	Full Service			
Sanderbecks Campground Altoona, PA (814) 695-0501	20	20	50%	\$10.00	None
Pleasant Hills Resort Hesston, PA (814) 658-3986	120	30	N/A	\$14.50 - \$17.50	Showers/toilets Laundry; Store Pool; Mini-Golf
Lake Raystown Resort Entrioken, PA (814) 628-4262	272	250	50% weekday 95% weekend	\$18.00 - \$25.00	Showers/toilets Laundry; Store Lake; Mini-Golf
Robinsons Hideaway Entrioken, PA (814) 658-3663	50	0	N/A	\$14.75 - \$20.00	Showers/toilets Laundry; Store Playground
Trough Creek State Park Entrioken, PA (814) 658-3847	32	0	10% weekday 90% weekend	\$9.00 resident \$11 non-resident	Pit Toilets Lake Hiking Trails
Boyers Campground Hesston, PA (814) 658-3901	60	33	70%	\$11.00 - \$14.00	Bath Picnic Tables
Lake Raystown Family Camp Huntingdon, PA (814) 643-3377	275	150	75%	\$13.00	Bath Firing Range Game Room
Circle "B" Campground James Creek, PA (814) 658-3702	75	70	95%	\$8.00 - \$15.00	Laundry Ice
Newburg St Rest & Campground (814) 448-2771	90	90	100%	\$650/year	None
Shady Maple Campground Broad Top, PA (814) 448-2412	90	75	N/A	N/A	N/A
Parks Campground James Creek, PA (814) 658-3266	35	13	100%	\$450/year	None
Branch Camp Huntingdon, PA (814) 643-0485	30	30	N/A	N/A	N/A
The Landing Campground Huntingdon, PA (814) 643-3828	18	18	100%	\$650/year	Bath Boat Storage Gas
Nancys Camp Hesston, PA (814) 658-3405	50	0	20% weekday 80% weekend	\$5.00	Restrooms Boat to Shore

CAMPING/RV SUPPLY CHARACTERISTICS

y Project No:

E114900

Site Name:

Raystown Lake, Hesston, PA

Competitive Facility Name, Location, Contact	Number of Sites		Annual Occupancy Rate	Camp Rates	Amenities
	Total	Full Service			
Seven Points Campground Hesston, PA (814) 658-3405	170	0	40% weekday 100% weekend	\$11.00 - \$13.00	Restrooms Playground
Susquehanna Campground Hesston, PA (814) 658-3405	61	0	30% weekday 90% weekend	\$5.00	Restrooms Trails
Paradise Point Campground Hesston, PA (814) 658-3405	70	0	10-15%	\$6.00	Boat to Shore Restrooms
Roth Rock Hesston, PA (817) 658-3405	250	0	50% weekday 95% weekend	\$15.00 - \$30.00	Restrooms Cable TV Hook

TABLE 10

**CAMPING/RV MARKET CHARACTERISTICS
EVALUATION TEAM SCORECARD**

Key Project No: E114900

Site Name: Raystown Lake, Hesston, PA

Standard	Measurement Criteria	Overall Subjective Score*
A. Visitor Access/Visibility	Proximity of major roads and airport. Visibility from thoroughfares.	4
B. Local Camping Usage Trends	Recent annual change in campnight demand in local market area	3
C. Existing Supply Characteristics	(see attached list)	

Other Comments:

* Score ranges from 1 = poor; 2 = fair; 3 = good; 4 = very good; 5 = excellent

92012248

**TABLE 17
ANALYSIS OF
CAMPING/RV MARKET POTENTIAL**

KEYPROJ# E114900

	Sites Per Recreational Sales	Average Annual Occupancy Rate	Demand Criteria					
			Average Annual Temp.	Average Annual Non-Precip. Days	Annual Camping Expenditure Potential 2/	National Market Share	Relative Visitor Access/ Visibility 3/	Local Camping Usage Trends 3/
Comparable Recreation Areas	Factor 1/							
Bald Ridge Campground, GA	0.145	45%	61	250	\$10,224	0.07%	3	3
Riverfront Campground, PA	0.127	40%	54	240	\$6,895	0.08%	3	2
Lewisville Lake Park, TX	0.090	50%	66	287	\$13,245	0.07%	3	3
Holdiay Hills Campground, KY	0.642	45%	59	246	\$872	0.16%	2	3
KOA-Lawrence, KS	0.483	40%	54	269	\$3,351	0.13%	2	2
Weighted Average	0.512	44%	59	258	\$6,917	0.10%	2.6	2.6
Assigned Weights	--	--	10%	10%	25%	15%	20%	20%
Raystown Lake								
RPI Site Data Input	--	--	50	199	\$2,309	0.13%	4	2
Relative Performance Factors 4/	--	--	0.85	0.77	0.33	1.29	1.54	0.77

Calculated Supply/Demand Imbalance (RPI Site Competitive Area)

Demand Analysis

Overall Weighted Performance Factor	0.90
Local Sites Per Population Factor 5/	0.46
Zone Recreation Sales	\$1,214,000
Existing Supportable Demand (Sites) 6/	560

Supply Analysis

Existing Competitive Supply (Sites)	1,768
Existing Supply Potential (Sites) 7/	442
Net Supportable Demand (Sites)	118

- 1/ Reflects competitive supply of camping/RV sites within approximate 30-minute drive of recreation area divided by 50-mile radius recreation sales.
2/ Reflects average household expenditures per 1000 households for camper and RV rentals, and camping equipment.
3/ Relative score based on surveys and/or interviews. Score reflects 1=poor, 2=fair, 3=good, 4=very good and 5=excellent.
4/ Calculated by dividing RPI site data by corresponding mean values for comparable recreation areas.
5/ Calculated by multiplying RPI site overall weighted performance factor by weighted average area sites per recreation sales factor.
6/ Derived by multiplying 50-mile radius recreation sales by local sites per recreation sales factor.
7/ Reflects existing competitive supply adjusted by local unmet demand factor.

Then, the balance between market supply and demand for a camping/RV project was tested at the Raystown Lake project. It was determined that supportable demand exists for 560 sites while the existing supply potential is 442 sites. Hence, net supportable demand for an additional 118 sites was determined.

6. SUMMARY: DEVELOPMENT PROGRAM

A summary of the development program which could be carried out at this project was prepared (see Table 18).

Four recreational development market segments were the focus of our market investigations: golf course; lodging; marina; and campgrounds. Since a large site can accommodate multiple recreational projects and since a golf course requires more site area than other projects examined, we attempted to match market demand with sites exceeding 150 acres, whenever possible.

Also, given the strong economic link which exists in private industry between golf, lodging and conferences, we believe that if demand for lodging exists, it should be tied to golf course projects whenever possible. Given that the economics and potential financial returns for private investors is much greater if the type of lodging units are quality hotel rooms rather than cabins or group shelters, we further believe that hotel/conference centers should be the type of lodging market pursued when considering on-site, public, overnight quarters.

Our analysis also revealed that when a significant marina market was found at a lake project, a significant market for golf course development was also found at the lake. Thus, little need exists to exclusively solicit marina developers. Moreover, if excess capacity at existing marinas for more slip construction already exists at a lake project, this additional positive market demand for marina slips should first be satisfied at existing facilities. Hence, existing marina concessionaires and lessees should be provided the first right to expand their existing operations by building additional slips; then, if market demand still remains, developers should be encouraged to construct marina slips, preferably as part of their golf course or golf course/hotel-conference center projects.

No camping concessionaire arrangements with private parties exist at the Corps lakes examined, and the economics and potential financial returns for private investment in this type of recreational development project are not as strong as the other three market segments (golf, marina and lodging). Since campgrounds may not be the preferred investments by private sector developers (given opportunities to pursue golf or other types of projects), yet significant demand and site availability often exists at many Corps lake projects for additional camping, and since the Recreation Partnership Initiative (RPI) concept advocates private funding of

TABLE 18

DEVELOPMENT PROGRAM

Use	Amount	Site Opportunities Could Accomodate Some Market Potential			
		I			
Golf	29,930	Yes			
Camping	118	Yes			
Marina	94	No			
Lodging	201	Yes			

recreational development opportunities, developers should be encouraged to provide campground facilities as part of golf course and/or other quality recreational projects.

In light of these private industry preferences, when multiple market demand and/or multiple site opportunities (PDAs) exist at a lake, various combinations matching market demand and site locations should be considered. And, new marina and campground projects should be pursued under the RPI program only after considering the private industry implementation approach outlined above. We identified the following market/development potential and possible locations for additional recreation projects at this lake.

IDENTIFIED MARKET/DEVELOPMENT POTENTIAL

<u>USE</u>	<u>AMOUNT</u>
Golf	1 - 18-hole course; and
Lodging	201 rooms; and
Camping	up to 118 sites; and/or

POSSIBLE LOCATION

PDA I -- Site 25 (Upper Corners Area)

92012249